

Funding the TIP

Maricopa County funds its TIP through several resources. The primary source is the Highway User Revenue Fund (HURF), which accounts for approximately 97% of MCDOT's available budget each year. HURF is comprised of Arizona's vehicle license taxes, vehicle registration fees, and 18-cents-per-gallon tax on gasoline, which are distributed to all jurisdictions based on a formula established by the Arizona State Legislator.

In addition, the County may receive funds from federal agencies, such as the Federal Highway Administration (FHWA) and the Federal Emergency Management Administration (FEMA). These typically account for less than 3% of the annual MCDOT TIP budget. Other funding sources arise through partnerships with local jurisdictions, state agencies, and/or private corporations. Partnerships contribute about 25% to the MCDOT TIP budget every year.

MCDOT must spend its funds only on transportation-related items. This includes planning, design, right-of-way acquisition, construction and administration, and the operation and maintenance of County roads. In the case of HURF funds, MCDOT must expend these monies only for highway purposes. Approximately 62% of MCDOT's TIP budget is spent each fiscal year on new construction or significant reconstruction of roadways, bridges and other transportation facilities. The County uses the remainder for cooperation, maintenance and administration of the roadway system.

Federal Funds

Maricopa County frequently receives Federal Highway Administration (FHWA) funds for the improvement of eligible County roadways and bridges. These funds usually make up less than 3% of the total funds received and are primarily used to extend local funds. The County accomplishes this by taking advantage of the small local match (usually between 5.7% and 20%) required for federally funded projects.

The Maricopa Association of Governments (MAG) and the Arizona Department of Transportation (ADOT) administer the FHWA funds. FEMA funds may become available whenever roadways are damaged because of flooding or other natural disasters.

Local Funds

Almost half of the projects planned for construction in FY 2006-2010 are jointly funded through intergovernmental agreements with cities and towns. Our partners typically annex a roadway after improvement are made thus eliminating the road from the County Highway System.



Funding the TIP (continued)

MCDOT Projected Five Year Revenues & Expenditures Fiscal Years 2006-2010

TIP Revenues	2006	2007	2008	2009	2010	Totals
HURF, VLT, fees, & other sources	\$ 101.2	\$ 110.6	\$ 116.0	\$ 121.7	\$ 128.0	\$ 577.5
TIP Partner Revenue	\$ 29.3	\$ 14.1	\$ 1.0	\$ 0.9	\$ 2.0	\$ 47.3
Carryover from prior fiscal years	\$ 55.4	\$ 25.4	\$ 27.1	\$ 35.1	\$ 14.2	\$ 157.2
Total Funds Available	\$ 185.9	\$ 150.1	\$ 144.1	\$ 157.7	\$ 144.2	\$ 782.0
TIP Expenditures						
Construction Phase	\$ 90.8	\$ 58.3	\$ 33.6	\$ 40.3	\$ 8.4	\$ 231.4
Development Phase	\$ 7.7	\$ 6.3	\$ 7.0	\$ 6.9	\$ 6.9	\$ 34.8
System Support	\$ 6.7	\$ 5.5	\$ 5.5	\$ 5.5	\$ 5.5	\$ 28.7
Project Reserve	\$ 5.5	\$ 2.4	\$ 12.0	\$ 39.5	\$ 49.5	\$ 108.9
Total TIP Costs	\$ 110.7	\$ 72.5	\$ 58.1	\$ 92.2	\$ 70.3	\$ 403.8
Operating Costs	\$ 49.9	\$ 50.4	\$ 50.9	\$ 51.4	\$ 52.9	\$ 255.5
Total Expenditures	\$ 160.6	\$ 122.9	\$ 109.0	\$ 143.6	\$ 123.2	\$ 659.3
Balance	\$ 25.3	\$ 27.2	\$ 35.1	\$ 14.1	\$ 21.0	\$ 122.7

Table 1. MCDOT Revenues and Expenditures (in millions)

MCDOT Financial Highlights Fiscal Year 2005

Category	Budgeted	Actual*
Revenues		
HURF, VLT, fees, & other sources	\$ 98.9	\$ 102.5
TIP Partner Revenue	\$ 21.2	\$ 8.8
Total Revenues	\$ 120.1	\$ 111.3
Expenditures		
Salaries & Benefits	\$ 21.5	\$ 20.0
Materials, Supplies & Services	\$ 27.7	\$ 27.5
Equipment & Machinery	\$ 4.0	\$ 3.6
Total Operating Costs	\$ 53.2	\$ 51.1
Transportation Improvement Program	\$ 77.5	\$ 49.2
Total Capital Costs	\$ 77.5	\$ 49.2
Grants	\$ 1.2	\$ 0.4
Department Totals	\$ 131.9	\$ 100.7
Net Surplus/(Deficit)	\$ (11.8)	\$ 10.6

Table 2. MCDOT Financial Highlights (in millions)

*These funds are carried forward to 2005
and are included in the carryover from prior
fiscal years.